

## **How Are Law Schools to Pay for the Electronic Infrastructure They Are Building and Will Need to Sustain?**

The dominant realities for a law school dean are captured by the words: resources (read "revenues"), costs, constituencies, and delegation.

### **I. Revenues**

For private institutions the principal revenue source is tuition. That is true both in terms of percentage of current revenue and in capacity to increase to meet rising costs. Or at least that was the reality I knew as dean during the 1980's.

The current fiscal picture for law schools, both short and long-term, is bleak or so it seems to enough that Tuesday's executive committee program is entitled: "Managing in Hard Times." To the extent that capital and operating costs associated with computers, networks, computer support staff, and electronic information acquisition have been viewed as add-ons funded out of incremental revenue, that view will have to change. If the vision laid out in the first part of the program has validity those costs are large, permanent, and still in a period of growth. Some may find it strategic to hide that reality. "Holding existing [library] operations harmless" is an attractive slogan but in my judgment an unrealistic one.

### **II. Costs**

The library (people, acquisitions, data services) represents a significant cost center for a law school -- roughly 20% of the typical law school budget. For most law schools the library is not a significant source of revenue. The traditional cluster of functions and objects represented by the library has been a fairly popular target of school fund raising but the new information technology whether packaged as library, computers, or information for fund raising purposes is not, except in a few exceptional cases, likely to generate significant additional revenues. Nor, long term, is this likely to be a priority that will support increased student charges on the one hand or reallocations from competing cost areas outside the library, on the other.

While state schools may have some room to raise tuition or other student charges including some denominated "library" or "computers" the current climate severely limits additional student payments as a realistic source of add on funds for computers. To the extent that additional funds from students or alumni are available the competing demands on them from the important student and faculty constituencies will surely prevail over net increases in library and electronic information expenditures. I refer particularly to the demand for additional financial aid and more adequate

compensation for faculty and staff and other forms of faculty support.

### **III. Reallocation, Delegation, Perspective of Important Constituencies**

For these reasons, I am convinced that the future information systems of the sort the panel has been discussing can only be financed through reallocation of funds that previously supported traditional library functions.

During my time as dean, the delegation principle I followed was: "Delegate unless there are contending interests that must be resolved or major discontinuities that must be dealt with." The library was an area that I and most deans I knew wanted to delegate and felt very comfortable letting go of. There was a need for occasional intervention or inquiry when upset was heard from a faculty member or a group of students but no need for significant ongoing involvement. However, the changes we are talking about today and the sort of trade offs I see as inevitable define this as an area that if deans continue to ignore it may be at severe risk to their institutions, particularly if the administrative structure of the school have not placed the interests that must be resolved at an identifiable point of responsibility.

Trade offs are inevitably painful. They are difficult if not impossible when an institution places responsibility for contending interests in different hands and fails to provide an effective mechanism for resolving them in the light of long-term goals and needs rather than minimizing present conflict. These trade offs will be especially painful because during times of such rapid change there will be less consensus among important constituencies about the proper course and because more than dollars are at stake. Patterns of work and community are tangled in these resource questions.

### **IV. Potential New Revenue in Information Emanating From the Law School**

The discussion of the panel has focused on law schools as information consumers, ignoring their present and potential role as information producers or redistributors. The new information technologies make it possible for law schools to distribute information of value to the profession and others and receive significant return. There are some examples of entrepreneurial libraries that have charted this path. But I have something more than that in mind -- an ill-formed notion that the intellectual activity of faculty and students together with the information resources assembled for their work can produce information services of value that law schools can tap as a revenue source. Imagine the time and effort that currently goes into law school journals, clinics, seminars and faculty scholarship tapped and connected to the "virtual" law library. We have no models at present. Building them will require a degree of collaboration among faculty, library staff and computer specialists I haven't yet seen. In five years I hope

some models will begin to emerge. Harnessing the expertise and energy that a law school represents and delivering some of it of particular value to the profession along the same electronic pathways that are now at such cost being rigged into our schools represents the only path I see toward realizing fresh revenues to support these new costs.